STATE OF MONTANA

	BEFORE THE BOARD OF PERSONNEL APPEALS
	IN THE MATTER OF UNEAUD LABOR DRATE
	IN THE MATTER OF UNFAIR LABOR PRACTICE NO. 44-79:
	MONTANA FEDERATION OF TEACHERS,) 5 AFT, AFL-CIO,)
	Complainant,
	7 - VS - FINAL ORDER
	LAKE COUNTY SCHOOL DISTRICT #20
	and the RONAN-PABLO UNIT OF THE) MONTANA EDUCATION ASSOCIATION,)
	Defendants.
	* * * * * * * * * * * * * * * * * * * *
	No exceptions having been filed, pursuant to ARM 24.26.10
1	to the Findings of Fact, Conclusions of Law and Recommended
1	Order issued on March 17, 1980;
1	THEREFORE, this Board adopts that Recommended Order in this
1	6 matter as its FINAL ORDER.
1	DATED this 30 day of April, 1980.
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19	f'
20	By -3, C
21	Brent Cromley Chairman
22	
23	CERTIFICATE OF MAILING
24	I, Jennifer Tamban
25	
26	Mr. Cordell Brown
27	Montana Federation of Teachers AFT, AFL-CIO Box 1246 Ms. Emilie Loring HILLEY & LORING, P.C. Attorney for Defendants
28	Helena, MT 59601 1713 Tenth Avenue South
29	Mr. K. William Harvey
30	Superintendent of Schools Lake County School District #30
	512 231d
31	Ronan, MT 59864
31	Robert R. Jenser

STATE OF MONTANA

BEFORE THE BOARD OF PERSONNEL APPEALS

IN THE MATTER OF UNFAIR LABOR PRACTICE COMPLAINT #44-79:

MONTANA FEDERATION OF TEACHERS, AFT, AFL-CIO,

Complainant,

VS.

LAKE COUNTY SCHOOL DISTRICT NO.30, the MONTANA EDUCATION ASSOCIATION, and the RONAN-PABLO UNIT OF THE MONTANA EDUCATION ASSOCIATION,

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDED ORDER.

Defendants.

Complainant filed the above-captioned unfair labor practice charges with the Board of Personnel Appeals on October 25, 1979. The Complaint charged that Defendant School District had violated section 39-31-401(1) and (2) MCA and that Defendant Associations had violated section 39-31-402(1) and (3) MCA by engaging in activities related to the withholding of representation service fees for non-Association members of the bargaining unit per the union security provision of their negotiated agreement.

On November 6, 1979, this Board received the Defendant Associations' Amended Answer which denied the charges against the Associations. On November 6, 1979, this Board received Defendant School District's Motion to Waive Right to a Hearing and to Request a Ruling on Matter of Law and Contract and to Provide Guideline for Administrative Remedy: Should Such be Needed, a Motion stipulating to certain facts relevant to the Complaint and calling for this Board to clarify the legal status of the collective bargaining contract provision cited in the Complaint.

On January 30, 1980, this Board received a Stipulation signed by each of the parties to this matter. In that Stipulation the parties agreed (1) to the fact situation in this matter, (2) to forego the administrative hearing in the matter, and (3) to brief the issues presented by the Complaint.

 January 31, 1980, Orders of the Board appointed Kathryn Walker hearing examiner and set the briefing schedule in this matter.

Briefs and/or Reply Briefs were received by this Board from Complainant, represented by Cordell Brown, Field Representative, Montana Federation of Teachers, AFT, AFL-CIO; Defendant School District, represented by K. William Harvey, Superintendent Lake County School District No.30; and Defendant Associations, represented by Emilie Loring, Attorney.

RULINGS ON MOTIONS

To the extent that this decision addresses the concerns of the moving parties, the following Motions are declared moot; all other aspects of these motions are denied:

- Complainant's Motion for Remedial Cease and Desist
 Order or Expedited Hearing, received by this Board October 25,
 1979.
- 2. Defendant School District's Motion to Waive Right to a Hearing and to Request a Ruling on Matter of Law and Contract and to Provide Guideline for Administrative Remedy: Should Such be Needed, received by this Board November 6, 1979.

CLARIFICATION OF POINTS RAISED IN BRIEFS

Complainant's Brief states:

Complainant later verbally withdrew the charge that the Defendant Associations were using agency shop fees for contributions to political candidates or parties at state or local levels.

Therefore the charge that Defendant Associations violated section 39-31-402(3) MCA is deemed withdrawn.

2. The Complaint and the Stipulation clearly indicate that these charges involve contract provision 4.04 which addresses the assessment of a representation service fee from non-Association members. Regardless of the terminology used in the Briefs, the hearing examiner understands that the question in this matter involves that representation service fee and not the dues paid by regular Association members.

FINDINGS OF FACT

The following facts were stipulated to by the parties and shall be the facts upon which the hearing examiner will base her decision. (Note that the "proposed joint exhibits" referred to herein are now "joint exhibits" and are not attached to this decision.)

- 1. That Defendant Association is the recognized exclusive representative of a collective bargaining unit comprised of approximately eighty (80) school teachers employed by Defendant School District.
- 2. That Defendant School District has negotiated a valid collective bargaining agreement covering said teachers with Defendant Association which is in force and effect from July 1, 1978, to June 30, 1980 (Proposed joint exhibit #1 attached hereto).
- 3. That said collective bargaining agreement contains a union security provision on page 13 which reads in its entirety as follows:

"4.04. The Ronan-Pablo MEA, as the exclusive representative of all members of the appropriate unit, will represent all teachers, Association and non-Association, fairly and equally. No teacher shall be denied Association membership because of race, creed, color, sex or age.

The Representation Service Fee shall be an amount equal to the current unified dues required of all regular Association members.

Therefore, the School agrees that effective thirty (30) days after the date of contracted employment, or thirty (30) days after the opening of school, upon notification by the Association, it will deduct from the monthly earnings of non-Association members, as a condition of employment, the Representation Service Fee in six (6) or less equal monthly installments. All monies collected as fees for Association members and non-Association members shall be forwarded to the Association monthly."

The current "unified dues required" is \$169.00 per year.

- 4. That MCA Section 39-31-401 (3) provides for the negotiation of what is commonly referred to as an "agency shop" union security provision which requires that:
 - "...an employee who is not or does not become a union member shall be required, as a condition of

employment, to have an amount equal to the union initiation fee and monthly dues deducted from his wages in the same manner as check-off of union dues."

(MCA Section 39-31-401 (3) in part)

5. That MCA Section 39-31-203 provides for the manner of check-off for union dues and reads as follows:

3.

 "39-31-203. Deduction of dues from employee's pay. Upon written authorization of any public employee within a bargaining unit, the public employer shall deduct from the pay of the public employee the monthly amount of dues as certified by the secretary of the exclusive representative and shall deliver the dues to the treasurer of the exclusive representative."

- 6. That Defendant School District has either deducted in one withholding or is in the process of deducting in five monthly withholdings which commenced on October 17, 1979, \$169.00¹, the amount of the "current unified dues" (referred to in Section 4.04 of proposed joint exhibit #1) from twenty-six (26) teachers employed by Defendant School District as a "representation service fee" for 1979-80. Such withholdings were made as a result of a demand made by Defendant Association on Defendant School District (proposed joint exhibit #2).
- 7. That all twenty-six (26) teachers were notified by Defendant School District on or about September 28, 1979, that such a withholding would be made by Defendant School District commencing with the October pay warrant (please refer to proposed joint exhibit #3).
- 8. That all twenty-six (26) teachers responded to Defendant School District's notice and that such deductions were made in "opposition to direct instructions from the employee not to make the deduction". Further, that fifteen (15) of said teachers authorized Defendant District to withhold dues for the Ronan Teacher's Union, an affiliate of Complainant

¹Two teachers, Annette Longgood and Vicki Williams work half-time and have had or are having \$84.50 withheld, one-half of the "unified dues structure".

²Please refer to Defendant School District's MOTION TO WAIVE RIGHT TO HEARING AND TO REQUEST A RULING ON THE MATTER OF LAW AND CONTRACT AND TO PROVIDE GUIDELINE FOR ADMINISTRATIVE REMEDY: SHOULD SUCH BE NEEDED. DATED NOVEMBER 5, 1979.

union, ten (10) teachers authorized no deductions whatsoever, and one teacher authorized deductions for a credit union.³

- 9. That one teacher, Chris Tyree, had \$155.00 withheld from his September paycheck which Defendant School District considers a "representation service fee" for the 1978-79 school year. 4 Mr. Tyree did not authorize such a deduction and specifically instructed Defendant School District not to make such a deduction. Mr. Tyree is no longer employed by Defendant School District.
- 10. That eleven (11) teachers refused to have a "representation fee" withheld under contract provision 4.04 for the 1978-79 school year and such monies have not been withheld. Defendant Association continues to insist the representation fee for 1978-79 should be deducted from salaries of those teachers who did not join or pay dues to the MEA in 1978-79 and should be paid to the MEA.
- 11. That Defendant School District contends that by virtue of signing an individual contract with Defendant School District, teachers employed by Defendant School District in effect authorized the withholding of a "representation service fee". Defendant School District also contends additional individual authorizations for representation fee deductions are not required. Defendant Association contends it is interested merely in enforcing its valid collective bargaining agreement with Defendant District which requires deduction of representation fees from the salaries of non-Association

 $^{^3}$ Please refer to the compilation of forms and letters proposed by Complainant as joint exhibit #4. This information was furnished to Complainant by Defendant School District.

⁴Defendant School District Superintendent, William Harvey, indicated to Complainant that such monies were withheld because Mr. Tyree was leaving the Defendant School District.

members. Defendant Association further contends that if individual authorizations to deduct representation fees are required, it is the responsibility of the Defendant School District to secure such authorizations.

Defendant School District further contends that the Collective Bargaining Agreement, Section 4.04, Page 12 (Joint Exhibit No. 1) makes no reference to or mention of the individual authorization for the deduction of the representation fee and that the Defendant School District does not have the responsibility or the authority to secure such authorization.

- 12. That the individual contract that is required of each teacher employed by Defendant School District does not specifically inform a teacher that he or she must pay either dues or a "representation fee" as a condition of employment but does inform the teacher that he/she must abide by the terms of the master contract in effect between Defendant School District and Defendant Association.
- 13. That Defendant School District has taken the position that in negotiating Section 4.04, it was never its intention to "discharge a teacher from employment for their failure to authorize the deduction of a "representation fee" (again please refer to proposed joint exhibit #2).
- 14. That Defendant School District has never threatened any teacher with discharge for failure to authorize the with-holding of a "representation service fee" and further, that Defendant Association has never made such a threat nor instructed Defendant School District to make such a threat.

DISCUSSION

As pointed out in the findings of fact, sections of Montana's Collective Bargaining Act for Public Employees most relevant to this matter are sections 39-31-401(3) and 39-31-203 MCA. Section 39-31-401(3) MCA provides that it is an unfair labor practice for a public employer to:

discriminate in regard to hire or tenure of employment or any term or condition of employment in order to encourage or discourage membership in any labor organization; however, nothing in this chapter or in any other statute of this state precludes a public employer from making an agreement with an exclusive representative to require, as a condition of employment, that an employee who is not or does not become a union member, must have an amount equal to the union initiation fee and monthly dues deducted from his wages in the same manner as checkoff of union dues.

[Emphasis added.]

Section 39-31-203 MCA provides:

Deduction of dues from employee's pay. Upon written authorization of any public employee within a bargaining unit, the public employer shall deduct from the pay of the public employee the monthly amount of dues as certified by the secretary of the exclusive representative and shall deliver the dues to the treasurer of the exclusive representative. [Emphasis added.]

Findings of fact 2 and 3 indicate that the collective bargaining agreement in force between Defendant School District and Defendant Association contains a union security provision which provides, in part, that the School District "will deduct from the monthly earnings of non-Association members, as a condition of employment, the Representation Service Fee" (the entirety of this provision (4.04) is set forth in finding of fact 3).

The unfair labor practices alleged in the Complaint raise three threshhold questions.

1.Is the union security provision of the master contract between the Ronan-Pablo Unit of the Montana Education

Association and School District No. 30, Lake County, Ronan,

Montana (provision 4.04) a legal contract provision?

Section 39-31-401(3) MCA expressly permits a public employer and an exclusive representative to agree to require a non-union employee, as a condition of employment, to have an amount equal to the union initiation fee and monthly dues deducted from his/her wages. Sections 39-31-401(3) and 39-31-203 MCA state that such a deduction must be made in the same manner as checkoff of union dues which requires the written authorization of the employee.

Contract provision 4.04 calls for that practice sanctioned by section 39-31-401(3) MCA, i.e., that non-Association members of the bargaining unit pay to the Association, as a condition of employment, an amount equal to the dues of the regular Association members. However, the provision is silent on the requirements for its administration set forth by sections 39-31-401(3) and 39-31-203 MCA, i.e., that such agency shop fees be deducted from an employee's wages upon his/her written authorization.

It is this hearing examiner's opinion that provision 4.04 is not rendered illegal because it does not incorporate the statutorily imposed conditions for its administration. As will be discussed later, such law is applicable to the administration of the provision regardless of its inclusion/exclusion in the contract language. Therefore its exclusion does not effect the legality of provision 4.04 per se.

2. Is individual written authorization necessary for the deduction of the representation service fee called for by provision 4.04?

Section 39-31-401(3) MCA requires that a contract provision such as provision 4.04, i.e, an agency shop provision, be administered in the same manner as checkoff of union dues. Section 39-31-203 MCA states that union dues may be deducted from the pay of an employee upon written authorization. Therefore agency shop fees, i.e., the fees a non-union member of a bargaining unit may be required to pay a union in lieu of dues, may be deducted from his/her pay upon that employee's written authorization.

Provision 4.04, which is an agency shop provision, does not require written authorization for the deduction of the "representation service fees" of non-Association members of the bargaining unit. However, because the provision's silence on the subject in no way negates the mandate of law, it is the

hearing examiner's opinion that individual written authorization is necessary for the deduction of the representation service fees.

3. What type of individual written authorization is necessary for the deduction of the representation service fees called for by provision 4.04?

Joint Exhibit 3 indicates that the School District uses a "regular standard deduction form" "for all deductions from the payroll, including dues." Such a form would certainly be acceptable for the purposes of deducting the representation service fee called for by provision 4.04, for it clearly indicates the employee's understanding of the deduction being authorized and requires the employee's signature.

The hearing examiner does not agree that the employee's signing of an individual teaching contract serves as a legitimate substitute for the signing of the regular deduction form. While the individual teaching contract does specify that the employee will abide by the terms of the master agreement which contains provision 4.04, it does not specifically inform an employee that he/she must pay the representation service fee as a condition of employment. The individual teaching contract's broad language, which lacks any specific reference to the representation fee deduction, cannot be construed as adequate notice that a signatory employee would be authorizing a deduction from his/her wages.

Therefore, it is this hearing examiner's opinion that acceptable individual written authorization for the deduction of the representation service fee called for by provision 4.04 would be obtained by the employee signing the School District's regular deduction form or a substitute which clearly indicates that the employee understands and authorizes the specific deduction.

Having answered the threshhold questions regarding this Complaint, it is now necessary to determine whether or not unfair labor practices have been committed by the Defendants in the negotiation or administration of provision 4.04 of the master agreement. Specifically, has the School District violated section 39-31-401(1) and (2) MCA and have the Associations violated section 39-31-402(1)?

Section 39-31-401(1) MCA provides that it is an unfair labor practice for a public employer to:

interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in 39-31-201 [39-31-201. Public employees protected in right of self-organization. Public employees shall have and shall be protected in the exercise of the right of self-organization, to form, join, or assist any labor organization, to bargain collectively through representatives of their own choosing on questions of wages, hours, fringe benefits, and other conditions of employment, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection free from interference, restraint, or coercion.] [Emphasis added.]

Section 39-31-401(2) MCA provides that it is an unfair labor practice for a public employer to:

dominate, interfere, or assist in the formation or administration of any labor organization; however, subject to rules adopted by the board under 39-31-104, an employer is not prohibited from permitting employees to confer with him during working hours without loss of time or pay. [Emphasis added.]

Section 39-31-402(1) provides that it is an unfair labor practice for a labor organization or its agents to:

restrain or coerce employees in the exercise of the right guaranteed in 39-31-201 [cited above] or a public employer in the selection of his representative for the purpose of collective bargaining or the adjustment of grievances. [Emphasis added.]

The Complainant's first charge is that Defendant School District has coerced, restrained and interferred with employees in the exercise of rights guaranteed by section 39-31-201 MCA by withholding "agency shop fees" in the amount specified by Defendant Associations without individual checkoff or authorization from employees subject to such withholdings, violating section 39-31-401(1) MCA.

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Findings of fact 8 and 9, supported by Joint Exhibits 3 and 4, indicate that representation service fees were withheld by the School District from certain employees' wages without individual checkoff or authorization from those employees, and were in fact withheld in opposition to direct instructions from some of those employees. As determined earlier in this discussion, such deductions should not have been made without the individual written authorization of the employees. The question now before the hearing examiner is whether or not improperly making such deductions constitutes a violation by the School District of section 39-31-401(1) MCA.

Two phrases in Montana's Collective Bargaining Act for Public Employees make it clear that the choice of whether or not to authorize the deduction of agency shop fees rests solely with the employee. Section 39-31-203 MCA states that such deduction may only be made "upon written authorization of any public employee." Section 39-31-401(3) MCA states that agency shop fees may be required "as a condition of employment," implying that even when payment of the fees is required for continued employment the employee may elect to face the possibility of having his/her employment terminated rather than paying the fees.

Paying agency shop fees is a form of assisting a labor organization. The right to "assist any labor organization," or, by inference, to refrain from such activity, is a right guaranteed public employees by section 39-31-201 MCA. If an employee's free choice as to whether or not to assist a labor organization by paying agency shop fees is impinged, his/her rights guaranteed in section 39-31-201 MCA have been violated.

In its administration of provision 4.04, the School District effectively usurped the rights of certain employees to decide whether or not to pay the representation service fees by withholding those representation service fees without

proper authorization of the affected employees and, in fact, in direct opposition to some of those employees' instructions. It is this hearing examiner's opinion that such action by the School District constituted a violation of section 39-31-401(1) MCA.

The second charge of the Complainant is that Defendant School
District has violated sections 39-31-401(1) and (2) MCA by negotiating a contract provision, specifically section 4.04 of the
1979-80 master contract between itself and Defendant Association which calls for the withholding of "agency shop fees" or
"representation fees" in the amount specified by Defendant
Associations without an individual checkoff or authorization
to do so and that such a contract provision is clearly violative
of an employee's right to decide whether or not to pay monies
to a labor organization as a condition of employment; and that
in its administration of said contract provision, Defendant
School District is unlawfully assisting in the formation and
administration of a labor organization.

It being the hearing examiner's opinion that the basic question here is one of contract language versus contract administration, she does not think that the School District committed an unfair labor practice in negotiating the language of provision 4.04 of the master agreement or that the provision as it is written in the master contract is violative of an employee's right to decide whether or not to pay monies to a labor organization as a condition of employment. It must be understood that rather than expressly calling for the withholding of the representation service fees to be done without proper authorization, the contract provision is silent on the subject of authorization. The hearing examiner has stated her opinion that such silence in the provision's language does not adversely effect the legality of the provision per se and that provision 4.04, on its face, is a legal provision under the auspices of section 39-31-401(3) MCA.

It is the opinion of the hearing examiner that the School District erred in its administration of provision 4.04 by withholding the representation service fees without proper employee authorization. However, she is not persuaded that this error constitutes a violation by the School District of section 39-31-401(2) MCA ("unlawfully assisting in the forma-tion and administration of a labor organization"). In the last analysis, the School District's improper administration of provision 4.04 did not result in any advantage to the Association that proper administration of the provision could not have. Under the terms of the contract provision, the Association was entitled to receive the representation service fees called for, either from the employees employed at the time or their replacements should they have been terminated for their failure/refusal to pay the fees as a condition of employment.

The hearing examiner finds this charge to be without merit.

The Complainant's third charge alleges that Defendant

Associations have violated section 39-31-402(1) MCA by coercing

Defendant School District to unlawfully withhold "agency shop

fees" or "representation fees" in the amount it specifies without

individual checkoff or authorization and by negotiating an unlawful contract provision (4.04) which provides for such a withholding.

The hearing examiner has previously expressed her opinion that contract provision 4.04's silence on the subject of authorization does not render it illegal. Nothing in the findings of fact indicates that the Associations were involved in the decision to withhold the fees from the wages of certain employees without proper authorization, or that the Associations' involvement in this matter has been any other than that permitted by the contractual relationship with the School District. Therefore the hearing examiner does not find merit in this charge.

CONCLUSIONS OF LAW

- Defendant Lake County School District No. 30 has violated section 39-31-401(1) MCA by interfering with employees in the exercise of the rights guaranteed in section 39-31-201 MCA by withholding representation service fees without proper authorization and in opposition to the direct instructions of some of those employees.
- 2. Defendant Lake County School District No. 30 has not violated section 39-31-401(2) MCA.
- Defendant Ronan-Pablo Unit of the Montana Education Association has not violated section 39-31-402(1) MCA.
- Defendant Montana Education Association has not violated section 39-31-402(1) MCA.

RECOMMENDED ORDER

It is hereby ordered that Defendant Lake County School District No. 30:

- Cease and desist from withholding the representation service fees called for in provision 4.04 of its master agreement with the Ronan-Pablo Unit of the Montana Education Association unless authorized to do so in writing by individual employees; and
- Refund the representation service fees that have been withheld from the employees' wages without the written authorization of the individual employees.

DATED this 17th day of March, 1980.

BOARD OF PERSONNEL APPEALS

Hearing Examiner

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NOTICE

Exceptions may be filed to these Findings of Fact, Conclusions of Law, and Recommended Order within twenty days service thereof. If no exceptions are filed with the Board of Personnel Appeals within that period of time, the Recommended Order shall become the Final Order. Exceptions shall be addressed to the Board of Personnel Appeals, Capitol Station, Helena, Montana 59601.

CERTIFICATE OF MAILING

I, Mike Morgan, do hereby certify and state that I did on the 17 day of Morch,

1980 mail a true and correct copy of the above Findings of Fact, Conclusions of Law, and Recommended Order, to the following:

Mr. Cordell Brown Montana Federation of Teachers AFT, AFL-CIO Box 1246 Helena, MT 59601

Mr. K. William Harvey Superintendent of Schools Lake County School District #30 312 23rd Ronan, MT 59864

Ms. Emilie Loring
HILLEY & LORING, P.C.
Attorney for Defendant Associations
1713 Tenth Avenue South
Great Falls, MT 59405